



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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June 11, 2003

Paula Doughty
Kennecott Utah Copper Corporation
12000 West 2100 South
P.O. Box 6001
Magna, Utah 84044-6001

Re: Conditional Approval of "Interim" Plans for Final Reclamation of the Bingham Canyon Mine, entitled; "Reclamation & Water Management Plan, Kennecott Utah Copper Corporation, Bingham Canyon Mine," M/035/002, Salt Lake County, Utah

Dear Ms. Doughty:

We have completed our assessment of Kennecott Utah Copper Company's (KUCC) updated Bingham Canyon Mine Reclamation & Water Management Plan that was submitted in its final revised form on April 30, 2003. This plan updates and refines sections of the existing mining and reclamation plan that was originally approved by the Division in 1978. Refinements in reclamation commitments, and engineering detail have been included in this updated plan to provide a better understanding of how the Bingham Canyon Mine will be closed and reclaimed when mining and milling operations are complete. We hereby approve this interim plan for final reclamation with the following conditions:

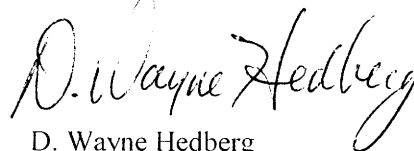
1. Within three years of mine closure (latest estimate 2012-2015), KUCC must submit a final set of engineered design drawings & plans that clearly define the final closure and reclamation details that are currently undecided because of ongoing, and/or proposed research and engineering studies (e.g., tailings impoundment, waste-rock dump configurations, pit-dewatering and related surface water management systems/plans, etc.). At that time, KUC and OGM will place these plans out for public review and input.
We acknowledge that some of the final design plan details (e.g., long term water management and maintenance plans) may be determined sooner, because of the ongoing negotiations and inter-agency review by the CERCLA Technical Review Committee of Kennecott's NRCD (Natural Resources Consent Decree) remediation plans.
2. In accordance with the requirements of UCA 40-8-14 and Administrative Rule R647-4-113.3, KUCC has committed to provide a detailed reclamation cost estimate, which mirrors this interim closure and reclamation plan (including long term operational and maintenance costs). A preliminary cost estimate must be provided to the Division no later than January 5, 2004.
3. KUCC has previously been asked for some clarifying information on the ownership hierarchy for the mine. We anticipate receiving this information within 45 days from the date of this letter.

Page 2
Paula Doughty
M/035/002
June 11, 2003

4. KUCC will continue to refine this final closure and reclamation plan through periodic reviews and ongoing negotiation with the Division. Future refinements to the plan will use Best Management Practices & Principles in reclamation science and technology. Corresponding refinements and updates to the reclamation cost estimate will also be required as significant changes are made to the plan. Future refinements or changes to the plan will be subject to appropriate Division review and approval.

The Division appreciates the excellent working relationship that has developed between our respective organizations, which was necessary for the completion of this task. We look forward to continuing this relationship as we work together in the future.

Sincerely,



D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

Enclosure – Approved copy of refined closure plan

cc: Don Ostler, DWQ
Doug Bacon, DERR
Mary Ann Wright, OGM
Doug Jensen, OGM
Steve Alder, AAG

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